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ABSTRACT

The Professional Automotive Training Center (PATC) is a 28,150 square foot automotive technician training center located on the campus of Shoreline Community College (SCC) in Washington. The complex is the result of a partnership between SCC and the 230 automotive dealerships of the Puget Sound Automotive Dealers Association and is designed to provide comprehensive, competency-based and career-oriented workforce training under conditions that duplicate the actual working environment of a modern car dealership. Under the sponsorship of dealerships, students in PATC programs alternate quarters of academic study with on-site work at the dealership, an arrangement which has yielded a 100% employment rate for program completers. The PATC's largest offering is in automotive technician training, although the Center also offers training in all dealership support departments, including finance and insurance, parts management, warranty claims, dealership accounting, and automotive detailing. While sales training classes are offered, the PATC does not itself sell cars. The PATC also offers a wide variety of upgrading and retraining programs for dealership personnel. Primary funding for PATC's construction was raised privately through the efforts of the Shoreline College Foundation, a non-profit corporation. Additional funding came through the private-sector sale of special "certificates of participation," authorized by the State Board for Community and Technical Colleges. Enrollment during the 1992-93 academic year included 67 students in the Associate in Applied Arts and Science degree programs, 355 students in the certificate classes, and about 3,500 students in technician training programs for individual automotive manufacturers. (PAA)

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THE PARTNERSHIP FOR TODAY THAT WORKS FOR TOMORROW: THE PROFESSIONAL AUTOMOTIVE TRAINING CENTER AT SHORELINE COMMUNITY COLLEGE

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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

"With this extraordinary and beautiful complex and the unique and comprehensive programming it houses, Shoreline Community College is now among the handful of community colleges throughout the nation which have taken the lead and are now setting the standards for workforce training and vocational education in America."

Jim McKenney
Director of External Relations
American Association of Community Colleges
November 20, 1992

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OVERVIEW OF PARTNERSHIP

Answering America's call for innovation, excellence and relevance in human and economic development, the dynamic and visionary partnership of Shoreline Community College and the 230 automobile dealerships that are members of the Puget Sound Automobile Dealers Association (PSADA) developed the comprehensive programming and sponsored the $2.8 million fund-raising capital campaign in the private sector that climaxed in the November 20, 1992 dedication of the 28,150 sq. ft. Professional Automotive Training Center (PATC)--the nation's first college complex designed as a modern automobile dealership. Shoreline's PATC, with its new methods of training and retraining individuals for well-paying jobs, is already recognized as the national prototype for addressing the escalating need among America's automobile dealers for a flexible, well-educated, highly skilled workforce.

At the PATC's dedication, United States Senator Slade Gorton perceptively and powerfully summarized the significance of the event, not only for economic and human development in the State of Washington, but also for the rest of the nation, as follows:

"This would be an important occasion if it marked only the dedication of a new physical facility which is going to teach a group of new academic and technical disciplines for one of the most important elements of the economy of the State of Washington and, for that matter, of the United States of America. But we are dedicating much more. **We see here today the America of the 21st Century: the partnership among the governmental sector, the academic sector, and the private sector of our economy. Because it is only through that partnership that we will remain competitive in a highly competitive world.**

"Without the State of Washington, we would not have this system of higher education. Without this system of higher education, we would not have the working and technical skills to make this an increasingly prosperous society. And without the private sector, who have helped build this facility and who will provide jobs for its graduates, we would not have the wherewithal in the State to build facilities like this.

"That constructive partnership--that 3-way partnership--is the future of the United States, and here at Shoreline in the State of Washington, the future is with us. The future is now!"

The concept underlying the Shoreline-PSADA partnership for economic and human development is simple but unique: to provide comprehensive, competency-based and career-oriented workforce training in a single complex and under conditions

that duplicate the actual working environment of a modern, first-class automobile dealership. All the services and departments of an automobile dealership selling 900 cars a year are provided at the automotive center. The working areas include a sales and display room, a service reception office, 24 service bays with hoists, seven factory training rooms, clerical offices, and ADP computer classrooms.

The center's largest offering, the automotive technician training programming, responds to the industry's need for master technicians who can work on today's highly computerized vehicles. Technology is moving forward so rapidly that already dealerships are looking to Shoreline graduates to share new high-tech skills with their veteran service personnel. Each student in these cooperative programs is sponsored by a dealership and alternates his or her academic quarters with on-site work in the dealership. This arrangement and the quality of the Shoreline programs yields a 100% employment outcome.

The automotive center also offers training in all dealership support departments, including finance and insurance, parts management, warranty claims, title clerks, service advisors, dealership accounting, computer training and detailing. Selling cars is the only dealership function that will not take place at the Center, although sales training classes are offered. The Center is also the site for a wide variety and large volume of upgrading and retraining programs sponsored by automobile and industry-related manufacturers for dealership personnel. All Shoreline's programs receive constant industry input and oversight because PSADA's offices and operations are in the complex. This aspect of Shoreline's partnership with automobile dealers is also unique in the nation.

Shoreline's uniquely comprehensive programming for technical and professional skills would, by itself, be a major model for solving the workforce training needs of an important American industry. But the Shoreline-PSADA partnership for economic and human development goes both wider and deeper. It has understood the growing chorus of concerns that technical skills alone are not enough for either stability or advancement in the economy of the future. Future employment success will require that workers not only have strong specialized technical skills related directly to their work, but also that they have strong basic educational and personal skills (including the "new basic skills" involving judgment, critical thinking ability, and flexibility). These concepts are incorporated also into the programming for Shoreline's automotive students, who must master such traditional college disciplines as math, science, English, economics, and communications.

Given the scope, significance and success of Shoreline's unique

approach to economic and human development for this major industry, it comes as no surprise to learn that Robert P. Mallon, past president of the National Association of Automobile Dealers (NADA), recently hailed it as "absolutely the beacon on the educational shoreline for the automotive industry, not only for the nation, but also for all the world."

DEVELOPMENT OF PARTNERSHIP

Shoreline's leadership, initiative and resourcefulness in developing this partnership to support economic and human development go back as far as 1976. At that time, Don Schultz, Shoreline's Coordinator of Industrial Technology Programs, was surveying the needs of local industry to identify areas where the college could provide additional technical training to prepare its students for employment opportunities. This effort brought him into contact with Jim Hammond, Executive Director of the Puget Sound Automobile Dealers Association (PSADA), who briefed him on an Associate degree program for automotive technicians developed earlier by the National Automobile Dealers Association. Only a year earlier Hammond had attempted unsuccessfully to persuade various Puget Sound community colleges to incorporate the NADA automotive service technician program into their curricula.

Because Schultz felt that such a training program could not only provide a critically needed service for the automotive industry but could also open up employment opportunities for Shoreline students, he decided to investigate further. As a result, an advisory committee of area automobile dealers was established to investigate the emerging need for high tech automotive training in the area. This led to a presentation by NADA to Shoreline's Automotive Advisory Committee on another NADA automotive training program, the Fundamentals of Automotive Service Technology (FAST), which was then incorporated into the College's offerings.

Shoreline's 11-week FAST course was first offered in 1980. Lacking campus facilities, the college had to offer the course in the evenings in the service department at the nearby Chuck Olsen Chevrolet dealership. The objective of FAST was to provide upgrade training to dealership personnel by instructing them in the most frequently performed repairs in dealership service operations. NADA sent a two-man team to Seattle to recruit the initial 24 FAST students from area dealerships. Shoreline's partnership with the automotive industry is based on the associations and activities generated at that time.

While continuing to offer the FAST course at night, in 1981 Shoreline added a daytime program in emissions technology to

its curriculum. This second program, which was developed in response to the State's new laws on automobile emissions, required three quarters of instruction and led to a Certificate of Proficiency. It marked the beginning of Shoreline's automotive training programs for students who were not already employed by automobile dealerships. The emissions technology curriculum was developed by the College's Automotive Advisory Committee, a characteristic of all subsequent automotive training programs at Shoreline.

The increasing use of sophisticated high tech components in modern automobiles accelerated the needs of dealers for highly trained technicians. In response to this need, in 1983 Shoreline sought permission of the State Board for Community and Technical Colleges (SBCTC) to expand its emissions technology program to include high tech automotive service technician training. The SBCTC surveyed the existing automotive service training programs at other community colleges in the Puget Sound region and concluded that the program proposed by Shoreline was markedly different. Consequently, in 1985 the SBCTC approved Shoreline's High Technology Automotive Service Technician Training Program.

At approximately the same time, PSADA's Hammond launched a nationwide survey to ascertain the scope and content of automotive training programs in other parts of the United States. That study led to the discovery that no public or private educational or vocational institution in the country offered a comprehensive curriculum for all of the training needs of automobile dealerships. In anticipation of a further expansion of its programming, Shoreline spun off a separate Automotive Sales Advisory Committee from the existing Automotive Advisory Committee and requested that the new group develop an automotive sales course.

Shoreline's High Tech Automotive Service Technology program, which was developed in close partnership with PSADA, was a two-year program culminating in an Associate in Applied Arts and Science degree. The program, designed for 15 students, was a "generic" one in that its students were trained on vehicles produced by a variety of automobile manufacturers in contrast to a "manufacturer-specific" program, which trains students on the vehicles and other products of one automobile manufacturer.

It was clear at the time the SBCTC approved Shoreline's High Tech program that the college's physical facilities for automotive training programs were inadequate in size and inappropriate in design. These "facilities" consisted of an automotive service area of approximately 2000 square feet, which was originally designed as a "small engines" lab and a nearby classroom of approximately 600 square feet, which was

originally designed as a soils lab. These physical constraints contrasted sharply with the high tech elements of the automotive program itself. It is interesting to note that, in approving Shoreline's High Tech Automotive Service program, the SBCTC presciently specified that "any facility modifications, construction, or lease should be as nearly as possible a duplication of a new car service facility."

From the very beginning, Shoreline's automotive programs enjoyed great success with dealers and manufacturers. Its High Tech Service Technician Training program was one of the few in the state to emphasize "hands-on" experience with current model motor vehicles equipped with the computers and electronics systems characteristic of new automobiles. In addition, the college increasingly became the site for manufacturers' training programs to acquaint dealership service technicians with changes in the systems and components of their new models. PSADA also chose the college as the location for its own educational and vocational programs for automobile dealership personnel. By 1987 it was apparent that space constraints made it impossible for Shoreline to accommodate the great variety and volume of the workforce training and vocational education needs of automobile dealers and manufacturers.

SCOPE OF NEED FOR COMPREHENSIVE PROGRAMMING

During these early years of Shoreline's evolving partnership with PSADA, it became increasingly clear that not only were the personnel needs of automobile dealers substantial, widespread and varied, but also that there were virtually no workforce training programs for them in any traditional sense. The irony of this situation was that these workforce shortages were for well-paying career positions--a situation that still continues. A 1986 PSADA table on these workforce shortages in the Puget Sound Region (as updated to 1991) could be duplicated for any other region in the United States:

Position	Annual New Need	Average - High Salary
Service Technician	500	$33,772 - $399,360
Service Advisor	150	$33,291 - $199,680
Finance/Insurance Mgr.	100	$56,315 - $192,707
Fleet Manager	25	$52,597 - $127,868
General Manager	50	$88,442 - $209,097
Parts Manager	75	$49,658 - $518,400
Sales Manager	75	$80,239 - $255,500
Service Manager	75	$55,236 - $148,150
Title Clerk	100	$20,226 - $ 51,816
Warranty Clerk	60	$20,628 - $ 39,443

As Shoreline developed its different training courses and programs for automobile dealership personnel in response to these workforce opportunities, it realized that it was simultaneously developing a unique and comprehensive concept that could revolutionize and re-vitalize workforce training throughout the nation for this industry if it could showcase these programs in a world-class facility which incorporated the College's philosophy of training vocational students in a setting which mirrors that of the industry where they will eventually work. No early relief could be expected from the State of Washington, because its guidelines for community college capital projects establish a minimum of approximately 10 years between the time a capital project is first proposed and construction begins.

CAMPAIGN TO DEVELOP PROGRAMMING AND CONSTRUCT FACILITY

In 1987 Shoreline, concluding that the economic and human development needs of this important industry were too great to be deferred for ten years, expanded its partnership with PSADA to include the Shoreline College Foundation, a non-profit, tax-exempt, private corporation formed in 1984 to assist and support the college's programs and services, and launched the capital campaign within the private sector to construct and equip the PATC. Shoreline's leadership in taking such a step is highlighted by the fact that no other Washington community college had ever attempted such a capital campaign.

A 1987 professional feasibility study of four months duration commissioned by the foundation concluded that it had the potential to successfully conduct a $2.1 million capital campaign among the private sector to construct an automotive training center of 25,000 to 30,000 square feet. Inherent in this project was the assumption that it would lead to an innovative and comprehensive automotive training program without precedent in the nation. The intention was that Shoreline would offer workforce training and vocational education for virtually every area of automotive personnel in a facility which would resemble as much as possible a modern, first-class automobile dealership.

The feasibility study also revealed that only four institutions in the nation offered extensive dealership training programs, which were widely admired throughout the automotive industry. Noting that even these programs were generally confined to only a limited portion of the spectrum of automotive industry employment needs, Shoreline proposed not only to join the ranks of these four institutions, but also to become first among them in the scope of its programming. This ambition required the college automotive faculty to work in partnership with PSADA to

develop a comprehensive, state-of-the-art curriculum for virtually all dealership personnel. It also committed the foundation to raise the funds to construct the appropriate facility to house this programming.

In May of 1987 the foundation began a 21-month campaign to raise $2.1 million in the private sector to build and equip the PATC. In anticipation of the success of the campaign, Shoreline faculty accelerated their efforts to develop the broad and current programming to be offered at the new facility. Temporarily suspending its own High Tech service technician training program, the college added three manufacturer-specific training programs for service technicians through agreements with General Motors (ASEP), Honda (PACT program) and Toyota (T-TEN program), with a resulting enrollment of 45 students. Having employed additional instructors and support staff for these programs, the college committed in its 1990-91 budget approximately $325,000 in salaries, benefits and support for them.

This dramatic increase in Shoreline's automotive technician programs occurred at a time when there was no change in the training facilities. Consequently, a substantial number of automotive technology instruction was conducted in the campus parking lots adjacent to the assigned classrooms and service clinic. Despite these physical constraints, the expanded size and enhanced quality of its automotive training programs resulted in Shoreline's receiving in 1990 certification by the National Institute for Automotive Service Excellence (ASE), the national, non-profit testing and certification organization for the automotive industry. After an extended evaluation by the National Automotive Technicians Education Foundation (NATEF), Shoreline became one of the few automotive training programs in the nation to receive certification in all eight training areas monitored by ASE.

In addition to its three AAAS-degree programs for service technicians, the Shoreline faculty, in partnership with PSADA and consultation with other areas of the automotive industry, developed degree or certificate programs for such other areas of automotive employment as title clerk, parts management, finance/insurance training, sales, service advisor, computer training, dealership management, computer training, dealership accounting, warranty processing, automotive detailing, and insurance adjusting. The inclusion of these programs in its curriculum would enable Shoreline to achieve its goal of becoming America's first post-secondary educational institution to offer both vocational education and workforce training for virtually every area of automobile dealership personnel.

However, the foundation's capital campaign had not reached its

financial goals. By 1991, the campaign begun in 1987 to raise $2.1 million in 21 months, had generated pledges of $155,500 in equipment and $1,131,000 in cash. Over $600,000 of these cash pledges had come from PSADA members; $285,000 from automobile manufacturers; and the rest from banks, insurance companies, and other businesses and individuals. Although this was by far the most successful capital campaign in the history of Washington's community colleges, it was insufficient to fund construction of the proposed facility. In fact, inflation had pushed the cost of construction to $2.8 million, and the costs of the campaign had reduced the funds actually collected and available for construction. Although there was widespread agreement on the importance, value and uniqueness of Shoreline's undertaking, it appeared that some breakthrough would be necessary to restore momentum and credibility to the capital campaign.

Consequently, college and foundation leadership began to explore other means to secure the balance of construction costs, while continuing the capital campaign. An initial contact with a commercial bank for a conventional unsecured loan of these funds was encouraging, but eventually unproductive. Learning that the State of Washington had recently expanded the authority of the State Housing Finance Commission to include 501(C)(3) organizations in its bond issues, the foundation explored that option. However, it gradually discovered that the Commission's staff had not developed any procedures for using this new authority, didn't have much interest in pursuing it, and that the Commission's fees would be exorbitant.

STATE JOINS PARTNERSHIP BY AUTHORIZING INTERIM FINANCING

Eventually, it was discovered that in 1990 the State of Washington had passed legislation to allow State agencies to enter into financing agreements for the construction of capital facilities. Under this legislation, the State Board for Community and Technical Colleges could allow Shoreline Community College to enter into a "lease purchase" agreement with the foundation, under which the foundation would agree to construct the automotive training facility, and the college would agree to lease it. This arrangement could then be used as the basis for obtaining the additional funds needed for construction through the sale in the private sector of "certificates of participation" (similar to bonds) in the college's lease payments to the foundation. This legislation requires specific approval by the Legislature of each such arrangement, and the subsequent authorization by the State Finance Committee, composed of the Governor, Lieutenant Governor, and State Treasurer.

While it appeared that this legislation could be a viable route for securing the additional construction funds, it had been challenged in court as a violation of the section of the State's constitution which limits the indebtedness of the State. However, in 1991 the court upheld the constitutionality of this legislation, and the foundation and college decided to seek approval of such an arrangement for the proposed PATC. Drawing on all their connections and utilizing all their credibility and acting within an extremely limited time period, leaders from the college and the foundation succeeded in persuading the State Legislature to give the SBCTC the authority to approve a lease-purchase arrangement for Shoreline Community College to construct the PATC. Subsequently, both the SBCTC and the Shoreline Board of Trustees approved the proposed arrangement, which was then authorized by the State Finance Committee.

At this point, the construction of the PATC would involve a commitment of approximately $2.8 million. Since campaign contributions then on hand totalled approximately $850,000, the face value of the issue of the certificates of participation was $2 million. As a consequence of these financial arrangements, the lease between the college and the foundation was set for a term of 20 years and priced to generate slightly more than $4 million in lease payments. Over the 20-year period, payments of principal and interest to the certificate holders will also equal slightly more than $4 million. Thus, the College's annual lease payments, which will average approximately $195,000 a year, will retire the debt incurred from the sale of certificates of participation. Because these payments are tax free to the certificate purchasers, they are attractive investment vehicles.

At the end of 10 years, the college has an option to terminate these obligations by paying off in full the balance then owing to the certificate holders. If the college exercises this option, its total obligation under this financing arrangement will be limited to approximately $3.4 million. While the foundation and PSADA will continue their fund-raising activities, the financial obligations under the sale of the Certificates of Participation cannot be paid off earlier than 10 years. Consequently, all future contributions to this project will either (1) be paid directly to the certificate holders in lieu of lease payments by the college, or (2) be deposited in a "sinking fund" to earn interest until the college exercises its option for an early retirement of its obligations under the sale of the certificates. Under either arrangement, the college is obligated for 10 years to make payments of principal and interest on the funds acquired from the sale of the certificates of participation.

OUTCOMES OF PARTNERSHIP PROJECT

The dedication and open house of the stunning and beautiful PATC was attended by a crowd of over 850 people and included representatives from the national corporate headquarters of many major automobile manufacturers. Both national and local media, particularly the print media, gave widespread and highly favorable coverage to the facility and the programming which it will house. Speakers at the event included a past president of NADA, a United States Senator and the Governor of Washington. There was significant attendance from both non-governmental and governmental organizations in the fields of human and economic development.

"If you build it, they will come" was the message of a recent, successful motion picture, and they have come in droves to Shoreline now that the quality and utility of our training facility match the quality and value of our training programs for the automotive industry. The figures for 1992-93 enrollment in these programs are powerful and persuasive confirmation of the widespread and urgent need for them.

Associate Degree Programs

Students Served 1993-93 Academic Year

Chrysler	18
General Motors	16
Honda	15
Toyota	18
ALL	**67**

Certificate Classes

Students Served Spring 92, Fall 92, Winter 93

Sales	194
Service Advisor	52
Parts	17
Finance/Insurance	15
Title Clerk	77
ALL	**355**

Workforce Training

Technician training for the following automobile manufacturers: Audi, Chrysler, General Motors, Honda, Peugeot, Saab, Sterling, Toyota, Volkswagen and Volvo.

ANNUALIZED AVERAGE STUDENTS SERVED: 3,500

AN EXAMPLE FOR THE NATION

These are impressive figures for one institution's contributions in one year to economic and human development within the automotive industry. But it is worth noting the scope and significance of the need for automotive training from a national perspective, particularly since Shoreline's PATC was designed as a national prototype or pattern for adaptation elsewhere. In 1988, Jim Steiger of the Motor Vehicle Manufacturing Association noted that the nation's automobile dealers suffered an annual shortage of an estimated 30,000 "properly trained service technicians" alone. This shortage, combined with the increasingly sophisticated components of the modern automobile, unnecessarily costs Americans $20 billion a year, because, on average, 40% of all auto repairs have to be redone, according to the U.S. Office on Consumer Affairs.

The irony of widespread shortages throughout the nation for good-paying jobs resulting from a lack of vocational training would not be wasted on Dr. Dale Parnell, past president of the American Association of Community Colleges. In his book, The Neglected Majority, Dr. Parnell points out that as many as 75% of America's high school students do not go on to receive a postsecondary baccalaureate degree, while both secondary and postsecondary educational systems overwhelmingly allocate their resources toward preparing students for traditional baccalaureate programs.

But the PSADA-Shoreline Community College partnership shows that it is possible to reverse that trend and provide solid basic skills and specialized technical skills that respond to technological innovation and social change. It has established a national prototype for economic and human development in America's automotive industry. It has made a difference locally and nationally in training and retraining workers in that industry. While others may fear what tomorrow might bring, Shoreline's partnership for economic and human development has faced its demands and seized its opportunities.

"That constructive partnership--that 3-way partnership--is the future of the United States. And here at Shoreline in the State of Washington, the future is with us. The future is now."

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March 24, 1993